

“Discrimination Lawsuit over Workday’s AI Hiring Tools Can Proceed as Class Action: 6 Things Employers Should Do after Latest Court Decision.” *Fisher Phillips*, [www.fisherphillips.com/en/news-insights/discrimination-lawsuit-over-workdays-ai-hiring-tools-can-proceed-as-class-action-6-things.html](https://www.fisherphillips.com/en/news-insights/discrimination-lawsuit-over-workdays-ai-hiring-tools-can-proceed-as-class-action-6-things.html). Accessed 1 Feb. 2026.

Our ethical challenge is bias and discrimination in AI screening tools that handle hiring and recruiting potential candidates for a company. One prominent case that illustrates these challenges is the *Mobley v. Workday* lawsuit. A federal judge allowed a nationwide class action to proceed, stating that AI-powered tools used by Workday may have had a discriminatory impact on applicants over the age of 40. An applicant, Derek Mobley, a black man who is over 40 years old with anxiety and depression, had applied to over 100 jobs that use Workday automated hiring system and was rejected every time from each job before another person saw his application.

The case raises multiple moral concerns involving discrimination, personal rights, and justice. In Mobley’s case, he was excluded from the jobs he applied for because of his age because of the AI system, proving the discriminatory aspect. His applications were also not double checked by an outside source, or a human, until it was brought to someone’s attention. Mobley was not allowed due process, nor did he have access to fair treatment by both the AI system and the companies he applied for. This also highlights the issue of accountability as AI systems reduce the transparency in employment decisions since the applications are not double-checked before being denied.